

MINUTES OF A MEETING OF THE LEMON GROVE CITY COUNCIL

June 5, 2018

The City Council also sits as the Lemon Grove Housing Authority, Lemon Grove Sanitation District Board, Lemon Grove Roadway Lighting District Board, and Lemon Grove Successor Agency.

Call to Order by Mayor Vasquez at 6:03 p.m.

City Councilmembers present: Mayor Racquel Vasquez, Mayor Pro Tem Jerry Jones, Councilmember Jennifer Mendoza, Councilmember David Arambula, and Councilmember Matt Mendoza. City Councilmembers absent: None.

City Staff present:

Lydia Romero, City Manager

Mike James, Assistant City Manager/Public Works Dir.

Sergeant Jacob Klepach, Lemon Grove Substation

David De Vries, Development Services Director

Miranda Evans, Management Analyst

Molly Brennan, Finance Manager

Arturo Ortuño, Assistant Planner

James Lough, City Attorney

Colin Stowell, Fire Chief

Al Burrell, Financial Consultant

Kay Vinson, Interim City Clerk

Alicia Hicks, Human Resources Mgr.

Mike Viglione, Assistant Planner

Pledge of Allegiance was led by Councilmember Arambula.

Presentations:

Lemon Grove History Minute #20 - Lemon Grove Home Grown 40 Year Business Recognition Series Honoring Monte Vista Village

Maria Shelter, Executive Director, shared Monte Vista Village opened in 1963 and was acquired in 1972 by Sidney Goodman, Goodman Group. The Village is on eight acres and consists of 17 single story buildings with 104 independent living apartments, 26 assisted living units and 21 skilled nursing beds opening to the garden. Long-term staff and residents host a meals-on-wheels fund raiser and a Military Family Christmas event.

Mayor Vasquez read a Proclamation declaring Monte Vista Village Day on June 5, 2018 in the City of Lemon Grove, and roses were presented by a Lemon Grove princess.

28th Annual Treganza History Essay Competition Awards

Helen Ofield, President Lemon Grove Historical Society, introduced the essay competition for third graders in Lemon Grove and thanked the sponsors. The essays were about the characteristics of local life in the 19th century and optional inclusion of Kumeyaay influence, along with illustrations. Lemon Grove School District Superintendent Dr. Kimberly Berman and teacher Mrs. Finney, Vista La Mesa Academy, were in attendance. The following awards were presented:

Honorable Mention, Hamza Mohamed

Honorable Mention, Vicky Almaguer (Mrs. Jordan, teacher)

3rd Prize, Justin Nguyen

2nd Prize, Aden Ponce

1st Prize, Adriana Ledezma

Public Comments:

Brenda Hammond, Lemon Grove, said the Concerts in the Park schedule is out, San Diego Fire Department comes to Lemon Grove Sprouts, Family Fitness Day on Saturday at Community Center was great, Community Garden was weeded to begin planting, City's first brewery is opening in former Fillipis pizza grotto building, there is no voter fraud this year; and she thanked everyone for what they do for the City.

John L. Wood, Lemon Grove, reported three semi-trucks have been parked on Federal but not ticketed; only three people were in audience for Traffic Advisory Committee meeting; area near Central has been cleaned out and is no longer a haven for transients; Water Quality Control Board prohibits motorized vehicles from being in the creek, but vehicles removed 4 dumpsters of trash from the creek.

Joe Yousif, KIM Investments, requested reconsideration of the April 3, 2018 denial of a CUP for a medical marijuana dispensary 3521 Main Street due to newly discovered evidence and facts.

Romiana Khoury, Crime Prevention Specialist, District Attorney's office, expressed desire to learn more about issues and needs in Lemon Grove and asked if there were questions for the District Attorney.

1. Consent Calendar

- A. Waive Full Text Reading of All Ordinances on the Agenda**
- B. City of Lemon Grove - Payment of Demands in the sum of 583,957.56**
- C. Approval of Meeting Minutes**
 - March 6, 2018 Regular Meeting**
 - May 15, 2018 Regular Meeting**
- D. General Municipal Election – November 6, 2018**
 - Adopt Resolution No. 2018–3580 Calling for the Holding of a General Municipal Election to be Held on Tuesday, November 6, 2018, for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California relating to General Law Cities and Electing to Determine Tie Votes by Lot**
 - Adopt Resolution No. 2018–3581 Requesting the San Diego County Board of Supervisors Authorize the San Diego County Registrar Of Voters to Consolidate a General Municipal Election to be Held on November 6, 2018, with the Statewide General Election to be Held on the Date Pursuant To § 10403 of the Elections Code, and to Render Specified Services Related to a General Municipal Election in The City Of Lemon Grove**
 - Adopt Resolution No. 2018-3582 Adopting Regulations for Candidates for Elective Office Pertaining to Candidates Statements Submitted to the Voters at an Election to be Held on Tuesday, November 6, 2018.**
- E. Adopt Resolution No. HA 2018-005 of the Housing Authority of the City of Lemon Grove approving the Beneficiary Statement to Allow Refinancing of an Underlying Loan to the Beneficiary of the 2001 Hillside Terrace Loan of \$300,000 without affecting the position of the Housing Authority.**
- F. Adopt Resolution No. 2018-3583 Approving a Contract Renewal with Vision Internet, Inc. for Hosting and Support Services for the City Of Lemon Grove Website for a Period of Five Years; the first year's annual fee of \$7,900 with a mandatory 5% increase each subsequent year and a redesign credit of \$8,000 will be issued to the City for use during 2018.**
- G. Approve the Fiscal Year 2018-19 City Calendar as presented, resulting in City Hall being closed from Monday, December 24, 2018 through Tuesday, January 1, 2019.**

- H. **Adopt Resolution No. 2018-3584** of the City Council Awarding a Contract for Street Lighting Maintenance and Repairs to Clark Telecom & Electric, Inc. in the sum of \$6,020.19 with \$3,000 contingency.
Adopt Resolution No. RL 2018-171 of the Lighting District Board Awarding a Contract for Street Lighting Maintenance and Repairs to Clark Telecom & Electric Inc. in the sum of \$11,249.43 with contingency of \$2,750.
- I. **Adopt Resolution No. 2018-3585** Authorizing a One-Year Extension of Existing Contract Between the City and Select Electric, Inc. For Traffic Signal Maintenance and Repair and Rejecting the Contract's Rate Increase for Fiscal Year 2018-19.

Action: A motion was made by Mayor Pro Tem Jones and seconded by Councilmember J. Mendoza to approve Consent Calendar Items 1 A, B, C, D, E, F, G, H and I, as detailed above. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza
Noes: None

2. Public Hearing to Consider Planned Development Permit Modification PDP-170-01M1 and Tentative Map Revision TM0-000-0189 to Authorize the Construction of 18 Condominium Units at 3485 Olive Street with Shared Services

Michael Viglione, Assistant Planner, presented the staff report, along with vicinity and location maps. He provided a letter from Heartland Fire & Rescue with additional conditions of approval.

Mayor Pro Tem Jones clarified there are two different LLCs in ownership, and the separation is a financing issue.

Councilmember M. Mendoza determined the 18 units are planned to be rented but could be sold and traffic impact analysis was done with previous approval.

Mayor Vasquez opened the public hearing at 6:50 p.m.

Russ Haley, Citymark, affirmed it is the same project of market-rate housing as approved in October.

Action: The public hearing was closed at 6:52 p.m. on a motion by Mayor Pro Tem Jones and second by Councilmember Arambula. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza
Noes: None

Action: It was moved by Mayor Pro Tem Jones and seconded by Councilmember J. Mendoza to adopt **Resolution No. 2018-3586**, as revised to include additional conditions of approval, conditionally Approving a Revised Tentative (Condominium) Map TM0-000-0189 and Planned Development Permit Modification PDP-170-01M1 Authorizing the Subdivision of One (1) Parcel into One (1) Lot Of 18 Condominium Units and a Common Area Lot At 3485 Olive Street, Lemon Grove, California, which modifies City Council Resolutions 2017-3542 and 2017-3543. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza
Noes: None

3. Public Hearing to Consider Administrative Appeal No. AA1-800-0002 Regarding the Decision to Approve Minor Use Permit No. MUP-180-0001; a Request to Allow an

Outpatient Drug and Alcohol Addiction Treatment and Counseling Service Center at 3434 Grove Street in the Village Commercial Zone of the Downtown Village Specific Plan

Arturo Ortuño, Assistant Planner, summarized the staff report.

Mayor Pro Tem Jones disclosed two phone conversations, one with John Enright and another with Steve Brown, regarding concerns of business owners.

Councilmember M. Mendoza asked about the recovery stage of clients, not used for residential care; compatibility with future downtown and vision; perspective of clinic with professional/attorney/medical offices, both professional offices and clinics are allowed; and number of parking spaces, 6 required but 21 provided.

Mayor Vasquez verified an analysis of the project with the failed Downtown Village Specific Plan (DVSP) did not occur, but the process is likely similar.

At 7:05 p.m., Mayor Vasquez opened the public hearing.

Applicant Sara Cummings, San Diego Homecare Supplies, deferred time to Sydel Charlier Howell. Ms. Charlier Howell referenced her letter of support for the appeal. She highlighted issues with blight and homelessness, and relayed some customers ask to have their supplies mailed because they are uncomfortable with coming downtown. She questioned if the clients are court ordered to treatment, what are the hours of operations, and where do clients go after treatment, noting it appears to be an intensive outpatient treatment facility. Ms. Charlier Howell indicated the proposed use does not comply with the vision of the downtown specific plan to be business and people friendly.

Bruce Ross, President Village Walk HOA, located across the street from the proposed treatment and counseling service, transmitted their community of 400 people (161 families) suffer from the problems with homelessness and are concerned about the proposed drug rehabilitation facility.

Christopher Miller, Lemon Grove, objected to the business being located across the street from his residence, saying he can see the homeless now, streets are poorly lit, parking lots are not patrolled; and he is afraid his son may pick up discarded needles.

Jim Butcher, AAA Imaging, distributed a letter in opposition to approval of the treatment center, stating it is a deterrent to bring new businesses to downtown.

John Enright, Berry's Athletic Supply, balked at the clinic abutting his business since the homeless nuisances are currently visible from his store.

Erik Wiese, commercial real estate broker representing Berry's Athletic Supply, passed out a map showing 20 places in Lemon Grove dealing with addiction, which contrasts with being a family friendly City.

Teresa Rosiak-Proffit, Lemon Grove, communicated two views: the service is needed and support is needed for downtown businesses. So she suggested locating the use outside of downtown and perhaps in available space at the Sheriff Department.

Kim Miller, Lemon Grove, expressed worry about her son finding needles on walks, agreed the clinic is a useful service, but argued it should not be located downtown. She commented there are no pictures of Lemon Grove on Facebook.

Action: A motion was made by Mayor Pro Tem Jones and seconded by Councilmember J. Mendoza to close the public hearing at 7:37 p.m. The motion passed by the following vote:

Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza

Noes: None

Councilmember J. Mendoza stressed the City Council did not approve medical marijuana, rather the voters approved it.

Action: Mayor Pro Tem Jones moved and Councilmember M. Mendoza seconded to reopen the public hearing. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones
Noes: M. Mendoza

Shane Harmon, Niznik, explained 80% of clients would be transported by van for group counseling to and from a sober living facility outside of Lemon Grove. Further, 20% of their patients that are further along in recovery, drive themselves to the clinic for outpatient services. In addition their clients services are paid by insurance or private pay at a cost of \$6,000-\$8,000 a month.

Mayor Vasquez reported the referenced side conversation was to determine if the City Council members could ask questions during the public hearing.
Councilmember M. Mendoza confirmed the applicant representative is a specialized real estate broker and not an addiction recovery/health specialist.
Mayor Pro Tem Jones mentioned the IOP/OP Program from 5:00-9:00 p.m. is not planned.

Action: At 7:41 p.m. the public hearing was closed on a motion by Mayor Pro Tem Jones and second by Councilmember M. Mendoza. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza
Noes: None

Mayor Pro Tem Jones established that in the 2005 DVSP and the recently failed DVSP, professional offices and clinics are allowed, recovering alcoholics are not criminals, there are concerns about homeless, the trigger for the minor use is due to the group therapy component, impact from McAllister Institute is different; and he inquired about the legal grounds for denial.

Councilmember J. Mendoza agreed the proposed center is different than the McAllister Institute, there is a need for the proposed services; however, the clinic is not compatible with the cited vision in the DVSP.

Councilmember M. Mendoza expressed compassion for people wanting to recover, but treatment centers are not in the vision of the DVSP.

Councilmember Arambula opined the clinic is the right use in the wrong place even though the proposed DVSP was shot down and the 2005 DVSP is effective.

Mayor Vasquez reiterated the proposed DVSP failed by a 3-2 vote although input was received from 143 residents and grant monies were utilized. She questioned whether or not denial of the use is legal.

City Attorney James Lough responded the Development Services Director approved the minor use permit; and because it is a close case, there is language that allows approval of the appeal denying the minor use. It is a Council decision.

Action: It was moved by Councilmember J. Mendoza and seconded by Councilmember Arambula to adopt Resolution No. 2018-3587 Approving Administrative Appeal AA1-800-0002, Overturning the Development Services Director's Decision to Approve Minor Use Permit No. MUP-180-0001, a Request to Allow an Outpatient Drug And Alcohol Addiction Treatment and Counseling Service Center At 3434 Grove Street, Lemon Grove, California. The motion passed by the following vote:
Ayes: Vasquez, J. Mendoza, Arambula, Jones, M. Mendoza

Noes: None

4. Draft Fiscal Year 2018-19 General Fund Operating Budget and Sanitation District FY 18-19 Operating and Capital Budget

City Manager Lydia Romero introduced Molly Brennan, Finance Manager. Manager Romero began the budget discussion for the General Fund and Sanitation District and asked the City Council/Board for input during the process. Al Burrell, Financial Consultant, reviewed the Workshop Agenda, Budget Process, and Budget Basics for both the General Fund and Sanitation District.

Ms. Brennan thanked the City Council for the opportunity to serve Lemon Grove. She revealed the General Fund 2017-18 fiscal year ending projection is \$10,342, deficit was avoided due to one-time revenue of \$132,000 in code enforcement citation fees from marijuana dispensaries. A pie chart for the 2018-19 FY General Fund revenue budget was displayed, similar to previous year. Manager Romero shared sales tax revenue is the largest revenue source for the City at 40%; and it has been consistent, but will erode due to on-line sales with revenue returned to the jurisdiction on a formula basis. The second largest source is property tax at 20%, and then at 19% is the property tax in lieu revenue, both steady but will not keep up with fixed expenses.

Ms. Brennan displayed the sources of General Fund revenue for FY 2017-18 as budgeted, as projected, and as budgeted for FY 2018-19, along with an itemization of significant revenue changes. Councilmember Arambula discussed funds from SB1 Road Tax funds, and Councilmember J. Mendoza stated that if Proposition 69 passes today, it will restrict use of the monies for roads; and it was noted the funds are not included in the General Fund.

The General Fund expenditures were covered by Ms. Brennan for FY 2017-18 as budgeted, as projected, and as budgeted for FY 2018-19 and by department. Public safety constitutes approximately 78.5 percent of the expenditures, and the remainder is Public Works at 10%, Administration at 7% and Development Services at 4%. Significant changes include Public Employees Retirement unfunded accrued liability increase of 31%, law enforcement 6% contract increase and 2% for animal control costs, 2% increase for fire staff, ¼ position increase for adding recreation services, Planning Commission compensation, election costs and General Plan update, and cut to other departments of 3-40%.

Al Burrell addressed the Cost Allocation between General Fund and Sanitation District. Councilmember J. Mendoza requested to see detailed allocation figures, i.e. allocation of specific salaries among funds. City Manager Romero replied Attachment B provides line item detail for revenue sources, expenditure details by department/division line items for both the General Fund and the Sanitation District operating, capital and pure water reserve budgets. Ms. Romero offered to resend the cost allocation study although it did not include indirect/administrative costs. If approved by the elected officials, another study could be contracted for to include indirect costs. Manager Romero cited State law does not require approval of a balanced Municipal budget before the end of the fiscal year, although it is good practice; so the budget can be approved in July if more time is required. City Attorney James Lough stressed the cost allocation or rate study is not part of the budget. Mayor Pro Tem Jones clarified the indirect costs such as purchasing, space, supplies, and percentage of administration were not included in the earlier study; and a complete study is estimated to take 90 hours.

Lydia Romero, City Manager outlined unfunded needs for fire, including an engine, generator, command vehicle, compressor and Jaws of Life extractor; public works consisting of community center roof repair and tree maintenance; and overall of code enforcement vehicle and cost of

living increase for miscellaneous employees. Mr. Burrell pointed out the City is in a structural deficit, irrespective of the economy. He indicated the reserves will be gone by FY 2021-2022. Councilmember Arambula commented the City is headed for bankruptcy in four years if additional revenue is not realized.

City Manager Romero posed options for increasing revenue, some needing voter approval and some without voter approval; and she requested feedback from the City Council. Councilmember Arambula transmitted the Metropolitan Transit System is considering a tax increase measure in the future, so he suggested taking action soon. Direction was received to return to the City Council for consideration of proposing a sales tax increase in November, a business license tax increase, and a utility users' tax at this time and to pursue all options not needing voter approval. Mayor Vasquez recommended including a CPI increase in all items except percentage fees. Ms. Romero said the planned cancellation of the July 3 City Council could be changed and the meeting reinstated.

Councilmember J. Mendoza urged pursuing all non-voter options for revenue increases such as getting more animals licensed. Molly Brennan replied to questions from Councilmember J. Mendoza about cost recovery, parking fines, and administrative citations. Mayor Pro Tem Jones reflected there was strong opposition previously to electronic billboards. Councilmember J. Mendoza complimented staff on a good job cutting expenses. Manager Romero did not cut the Council budget, and Councilmember J. Mendoza offered cutting the car allowance for Council, noted training is not included for the Planning Commissioners but they should still be informed about the League of California Cities training; and related to the election, the cost of the candidate statement is paid by the candidates. Ms. Romero remarked there are employee related costs for the Planning Commissioner in addition to the meeting compensation, the addition from $\frac{3}{4}$ time to full time for a Community Services employee costs approximately \$10,000, and there is potential for a SANDAG (San Diego Association of Governments) grant for the General Plan update.

Finance Manager, Molly Brennan, gave an overview of the Sanitation District healthy budget with revenue and expenses for operations, fund 15. Mike James, Assistant City Manager / Public Works Director recapped the Capital budget, fund 16. Ms. Brennan went over the Significant Changes for the District. Mayor Pro Tem Jones talked about the impact on the life of streets from cuts and possible reduction of the transfer for the Pure Water fund. Councilmember J. Mendoza observed there was no interest on one of the reserve funds; and due to the reserves, she did not support increasing sewer service charges. City Manager Romero requested the City Council email her with any discussion or questions about the budget for presentation on June 19.

5. Sewer Service Charge for Fiscal Year 2018-2019, Reducing Increase from 5.75% to 2.875% Increase

It was noted a vote against the ordinance would result in an increase of 5.75% instead of 2.875%. Board member J. Mendoza said she prefers no increase.

Action: On a motion by Vice Chair Jones and second by Board member Arambula, Ordinance No. SD 2018-29 was adopted Amending Ordinance No. 28 of the Lemon Grove Sanitation District Describing Methods For Calculating Sewer Use Charges

and reducing the previously approved increase of 5.75% to 2.875% for Fiscal Year 2018-2019. The motion passed by the following vote:

Ayes: Vasquez, Arambula, Jones, M. Mendoza

Noes: J. Mendoza

City Council Oral Comments & Reports on Meetings Attended at City Expense

Mayor Pro Tem Jones attended the following meetings:

- Metro Wastewater Finance Committee, in healthy shape
- Metro Ad Hoc Outreach team

Mayor Vasquez attended the following meetings and events:

- San Diego County Taxpayers Association 23rd Annual Golden awards
- San Diego Elevate fireside chat and event panelist on Women in Leadership
- Interview with Rock Church and conveyed City needs cleanup volunteers
- SANDAG Board of Directors, regional housing needs assessment numbers to be reconsidered from 106,000 approved housing units to 171,000 units per the State
- 2018 Memorial Day Ceremony at North Park church
- Mt. Soledad National Veterans Memorial Day Ceremony
- San Diego Regional Economic Development Commission Annual Dinner
- National Invitational Tournament of Champions regional speech finalists
- Heal Zone Family Fitness
- Election Day
- Announced Raven Vasquez is graduating from Mt. Helix High School, is working as a lifeguard this summer at Joan Kroc Center, and will be attending Cal State Northridge in the fall.

Councilmember J. Mendoza attended the following meetings and events:

- May 17 – Mexican American Business Professionals Lunch regarding alternatives to detention for juvenile offenders
- May 18 – SANDAG Transportation Committee, recommendations to Board: 1) Mid-Coast grade adjustment at Pepper Canyon; 2) \$40 million to City of San Diego for Transnet Debt Financing Program; 3) MTS and North County Transit District to receive FY 2019 allocations of Transportation Development Act funds
- May 24 - SANDAG Energy Working Group: Hub implementation and electric vehicle legislation; process for transportation network scenarios for San Diego Forward on the 2019-2050 Regional Plan and role in State and local climate action planning
- June 1 – SANDAG Transportation Committee including: 1) Regional call for projects and statewide competition for Cycle 4, California Active Transportation program; 2) Recommended design sequencing for State Route 11 Otay Mesa East Port of Entry; 3) Recommended Social Equity Analysis framework for Regional Plan; 4) AB805 Public Transit report; 5) Recommended 4th Cycle of Transnet Smart Growth Incentive and Active Transportation Grant programs with Lemon Grove ranked sixth on Smart Growth Capital Projects for connect Main Street Phases I and II in the sum of \$2.5 million with a City match of \$1,000; 6) Recommendations for the 9th Cycle of Transnet Environmental Mitigation and Land Management Grant programs; 7) Update on Advanced Technology Urban Area Transit Strategy included in the Regional Plan; and 8) Overview of Regional Climate Action Planning Framework.

City Manager and Department Director Reports (*Non-Action Items*)

City Manager Lydia Romero announced a Summer Kick Off free community BBQ with games and a DJ on Monday, June 11 from 3:00 – 5:00 p.m. at the Recreation Center. In addition the

schedule for concerts and movies in the parks will be provided to the City Council for sharing on social media.

Councilmember J. Mendoza disclosed an e-mail was inadvertently sent by MTS to three Lemon Grove City Councilmembers regarding Lemon Grove realignment, but it was not discussed.

Closed Session:

Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of G. C. Section 54956.9 (two cases)

Conference with Legal Counsel – Existing Litigation (G.C. § 54956.9 (1d))
Christopher Williams vs. David Arambula, City of Lemon Grove, et. al.
San Diego Superior Court - Case number 37-2018-00023369-CU-PO-CTL

City Attorney James Lough announced the City Council will be adjourning to closed session at 10:30 p.m. for the purposes above. Councilmember Arambula excused himself from discussion of the existing litigation at 10:36 p.m.

Adjournment: The meeting was adjourned at 10:45 p.m. with no reportable action.

A. Kay Vinson, Interim City Clerk